

# Memorandum

To: Panel Members Date: October 24, 2002

From: Ron Tagami, Manager Analyst: N. Weingart  
Peter DeMauro, General Counsel

Subject: One-Step Agreement for **TriNet Networking & Training Inc.**  
(www.TriNetNT.com)

## **CONTRACTOR:**

- Multiple Employer: Training Agency
- Training Project Profile: Retraining: Companies with Out-of-State Competition
- Legislative Priorities: Displaced/Potentially Displaced Workers  
Promotion of California's Manufacturing Workforce
- Type of Industry: Various Industries
- Repeat Contractor: No
- Union Representation: No
- Name and Local Number of Union representing workers to be Trained: N/A

## **CONTRACT:**

- Program Costs: \$199,400
- Substantial Contribution: \$0
- Multiple Employer Support (0%) \$0
- Total ETP Funding: \$199,400
- In-Kind Contribution: \$191,392
- Maximum Contractor Charge: N/A
- Reimbursement Method: Fixed-Fee
- County(ies) Served: Los Angeles, Orange, Riverside, San Bernardino
- Duration of Agreement: 24 months

**NARRATIVE:**

TriNet Networking & Training Incorporated (TriNet) is eligible to contract with the Employment Training Panel under Title 22, California Code of Regulations, Section 4426(a)(6) as an institution approved and certified by the Bureau for Private Postsecondary and Vocational Education.

TriNet Networking & Training Incorporated is a private, for-profit, training and educational school that specializes in a variety of information technology disciplines. The school has been providing training since 1998 and trains close to 15,000 students per year to improve current computer skills. The school provides classroom training to individual students, businesses, corporations, and State of California Workforce Investment Boards, and acts as a subcontractor to Verizon and Cal Poly Pomona for computer classes on the university's curriculum. TriNet has its temporary approval from the Bureau for Private Postsecondary and Vocational Education for classes leading to Cisco, Microsoft, Webmaster, and A+ Certifications. The school is headquartered in Newhall, California and operates classrooms from that location as well as Pomona, California with fifteen full-time and four part-time staff. The school offers center-based and on-site training to employers in Los Angeles, Orange, Riverside, and San Bernardino Counties. Its instructors also travel and provide customized training in Northern California, Hawaii, Nevada, and Australia.

Participating employers will be eligible for Employment Training Panel funding under either Title 22, California Code of Regulations, Sections 4416 (a), (b) or (c), as manufacturers and other companies facing out-of-state competition, or Section 4416(d)(1) as corporate headquarters of companies that do significant business outside of California. In addition to the corporate headquarters, a company's facility is eligible if it provides significant support services to the company's offices, operations, divisions, branches, stores, or franchises located outside of California.

Participating employers will meet one or more of the Employment Training Panel's funding priorities specified in Unemployment Insurance Code, Section 10200 (b)(4) and (7), which includes "... workers... subject to displacement, because of...changes in technology, or significantly increasing levels of international and out-of-state competition", and "...to promote the retention and expansion of the state's manufacturing workforce".

Based on TriNet's experience and interaction with employers, the companies that will participate in this proposal need to improve productivity, quality, and efficiency in their operations and processes to stay competitive. Consequently, they are continually updating and upgrading their computer systems and capabilities, and seeking optimal ways of providing employees with the computer-based technical skills and computer literacy required for improved business. TriNet's proposal contains a curriculum that reflects the increasing demand for skills required among employers to propel the expected growth not only of high-tech manufacturing, but also of many other types of businesses, both large and small.

**Advanced Technology:** TriNet is requesting the Advanced Technology Fixed Fee rate of \$20.00 per hour for 50 trainees in Job Numbers one through five for training in highly sophisticated software applications and network technologies including: Building Scalable Cisco Networks; Building Cisco Multilayer Switched Networks; Building Cisco Remote Access; Cisco Certified Internetwork Expert; Cisco Certified Network Associate; Cisco Certified Network Professional; Cisco Internetwork Troubleshooting; Cisco Secure Intrusion Detection System; Cisco Secure Pix- Firewall Advanced; Cisco

**NARRATIVE:** (continued)

Secure Virtual Private Network; Cisco Security Specialist; Certified Internet Webmaster Foundations; Certified Internet Webmaster Professional; Certified Internet Webmaster Site- Designer; Manage Cisco Network Security; Microsoft Certified Systems Engineer; Microsoft Terminal and Server 4.0 CITRIX. Training will be provided for classes of no more than ten trainees each for occupations including Database Engineer, Database Programmer, Information Technology Support Tech, Information Technology Manager, Information Technology Supervisor, Local Area Network Administrator, Network Administrator, Programmer, Support Services Manager, Systems Analyst, Systems Engineer, Telcom Manager, Telcom Technician, Voice Technician, and Wide Area Network Administrator.

**Computer Skills** training at the standard \$13.00 per hour reimbursement will include A+ Certified Technician courses for 25 trainees including: Office Support Technician, Helpdesk Support, Desktop Technician, Lead Desktop Technician, Support Desk Analyst, and Computer Operator.

TriNet proposes to provide both center-based and on-site training under the current application. Center-based training will only be used when a company lacks sufficient training space at the worksite. All classes will be comprised of trainees from a single, participating employer, and will include only Employment Training Panel-funded trainees. Training will be conducted during work hours on paid company time. The Contractor will administer the Agreement.

**Employer Demand**

TriNet contacts employers in many industries, especially current and prior clients, on a regular basis to assist in determining training needs. TriNet markets to diverse large and small companies with departments involved in Information Technology. Marketing efforts focus on changes in technology rather than the nature of a business, since the Information Technology field has very similar requirements across the board. TriNet participates in trade shows and conferences, advertises in technology magazines, and maintains a website for marketing. Under the proposed training project, TriNet will continue to work with current clients and to contact prospective new employers who are in need of the kind of technical training that the project will provide.

Employer demand for the training was determined by surveys and meetings with area employers and information from major vendors (such as Microsoft), which stay in constant communication with certified instructors and training centers with the latest modifications. Employers are experiencing a variety of changes within their businesses such as growth and mergers, the addition of new employees, new and upgraded manufacturing or software and hardware, and the use of the Internet for a myriad of business operations (such as selling products and communicating with customers). All of these changes require a company to train and upgrade the skills of workers to the required levels of expertise.

For example, one "core" employer is in the process of upgrading the entire company from Windows NT 4.0 to Windows XP, and recently upgraded all of its Cisco equipment, creating a need to train Information Technology staff. Another "core" employer upgraded its Internet software and the networking systems, which created a need for Windows 2000 training. Finally, the third company has provided little to no training on its systems and software, and is unable to utilize existing technology to the maximum benefit possible.

**NARRATIVE:** (continued)

The employer community in general, and individual employers in particular, help develop the curriculum by communicating their needs to the school. This input, along with standard industry guidelines, forms the basis for the curriculum. TriNet has conducted many surveys and meetings to ensure that its curriculum would serve the needs of its employer community. To determine specific employer needs, TriNet staff meets with all managers involved in training to discuss (1) their goals and how the Information Technology Department fits in with those goals; (2) how the Information Technology group currently operates; and (3) what changes will be occurring. From these discussions, school staff and the employer select the courses to help them meet their goals. Staff then determines the skill level of each trainee (based on prior training and experience) and determines what level of instruction each trainee needs.

Once training begins, feedback will be solicited from employers and individual trainees. Input will include written evaluations, student/instructor conversations, phone calls and meetings with the managers to ascertain noticeable increases in productivity or trainee performance. Curriculum changes in content and pace will be made based on this feedback.

**Justification of High Cost**

Based on the Advanced Technology rate of \$20 per training hour, Employment Training Panel reimbursement for Jobs 1 and 2 will be \$4,000 and \$3,200, which exceeds double the Employment Training Panel average cost per trainee. In order to become proficient in specific computer disciplines and/or to pass certification examinations, trainees must take several 40-hour courses specified by the manufacturer of the computer software. Thus, trainees in this proposal will be receiving 200 and 160 hours of training based on their job requirements and the level of expertise required by the employer.

**Supplemental Nature of Training**

“Core” employers currently offer different types of training such as customer service, new-hire orientation, and basic computer skills to their staff. The computer skills training that TriNet will provide under the Employment Training Panel proposal will supplement any company-sponsored training. TriNet training will be on new software or new versions of a software. No trainee will be enrolled in any training they previously received. Employment Training Panel funds will allow employers to achieve training and productivity goals that would not otherwise be met. Additional funding will give employers the ability to provide more training than they would normally offer, train more people, and provide classroom hours, in lieu of or in addition to, on-the-job training.

**In-Kind Contribution**

The core employers’ in-kind contribution totals \$191,392 for trainee wages while in training. In addition, employers have dedicated time to coordinate their training and will be using their space and equipment to provide training.

**COMMENTS:**

No executive level staff who set company policy are included in the proposal.

The Employment Training Panel cost per trainee is consistent with the amount charged other users.

At this time, no trainees within the core group of participating employers are represented by a union.

The 8% Multiple-Employer Contractor "support" funding has not been included in this Agreement since the marketing and recruitment of the three participating employers and assessment of their trainees' needs has already been accomplished prior to the beginning term date of the Agreement. However, "support" funding may be added in the future if and when the Contractor amends the Agreement to increase the number of trainees and provides list of additional participating employers to demonstrate that marketing efforts are continuous.

**PROPOSED ACTION:**

Staff recommends that the Panel approve this One-Step Agreement if funding is available and the project meets Panel priorities. This recommendation is based on TriNet Networking & Training's stated need on behalf of each participating employer to provide employees with the skills needed to avoid current and future layoffs caused by outdated technologies and operating procedures, and to diversify products and services. Training will help assure each company's ability to keep pace with technological changes to maintain jobs and improve long-term opportunities for employment and business growth in California.

**TRAINING PLAN:**

<b>Grp/ Trainee Type</b>	<b>Types of Training</b>	<b>No. Retain</b>	<b>No. Class/Lab Videocnf. Hrs</b>	<b>No. CBT Hrs</b>	<b>No. SOST Hrs.</b>	<b>Cost per Trainee</b>	<b>Hourly Wage after 90 days</b>
Retrainee Jobs 1-5	Advanced Technology	50	40-200	0	0	\$800- \$4,000	*\$11.15 - \$72.11
Retrainee Jobs 6-7	Computer Skills	25	80-120	0	0	\$1,040- \$1,560	*\$11.15 - \$30.00
						<b><u>Range of Hourly Wages</u></b> *\$11.15 - \$72.11	
						<b><u>Prevalent Hourly Wage</u></b> \$25.00	
						<b><u>Average Cost per Trainee</u></b> \$2,659	
<b><u>Health Benefit used to meet ETP minimum wage:</u></b> Health and dental benefits will be applied to the base wage in order to meet the ETP minimum hourly wage of \$11.78 per hour for Los Angeles County; \$11.66 for Orange County; and \$11.15 for all other counties.						<b><u>Turnover Rate</u></b> 20% or less	<b><u>% of Mgrs &amp; Supervisors to be trained</u></b> 40% or less

TriNet Networking & Training Inc.  
MENU CURRICULUM

**Hours**  
**Class/Lab**  
40-200

**ADVANCED TECHNOLOGY (COMPUTER SKILLS)**

Trainees will be provided any of the following:

Building Scalable Cisco Networks (BSCN)  
Building Cisco Multilayer Switched Networks (BCMSN)  
Building Cisco Remote Access (BCRAN)  
Cisco Certified Internetwork Expert (CCIE)  
Cisco Certified Network Associate (CCNA)  
Cisco Certified Network Professional (CCNP)  
Cisco Internetwork Troubleshooting (CIT)  
Cisco Secure Intrusion Detection System (CSIDS)  
Cisco Secure Pix- Firewall Advanced (CSPFA)  
Cisco Secure Virtual Private Network (CSVPN)  
Cisco Security Specialist (CSS)  
Certified Internet Webmaster (CIW) Foundations  
Certified Internet Webmaster (CIW) Professional  
Certified Internet Webmaster (CIW) Site- Designer  
Manage Cisco Network Security (MCNS)  
Microsoft Certified Systems Engineer (MCSE)  
Microsoft Terminal Server 4.0 CITRIX

**Hours**  
**Class/Lab**  
80-120

**COMPUTER SKILLS**

A+ Certified Technician

**Participating Employers in Retrainee/New Hire  
Training Agency/Consortium Agreements**

Contractor's Name: TriNet Networking & Training, Inc.

CCG No.: ET03-0174

Reference No: 03-0023

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PRINT OR TYPE

Company: Canon Communications

Address: 11444 West Olympic Blvd.

City, State, Zip: Los Angeles, CA 90064

Contact Person/Title: Nick Nguyen/IT Manager

Telephone No.: (310) 445-4235

Collective Bargaining Agreement(s): no

Estimated #of employees to be retrained or hired under this Agreement: 10

Total # of full-time company employees worldwide: 200

Company: Affiliated Computer Services Enterprise Solutions, Inc.

Address: 13220 Central Ave.

City, State, Zip: Chino, CA 91710

Contact Person/Title: Brad Mayo/Account (IT) Manager

Telephone No.: (909) 591-9895

Collective Bargaining Agreement(s): no

Estimated #of employees to be retrained or hired under this Agreement: 10

Total # of full-time company employees worldwide: 18,000

Company: First American Real Estate Solutions

Address: 5601 E. La Palma

City, State, Zip: Anaheim, CA 92807

Contact Person/Title: Tina Locklear/General Counsel & Corp. Secretary

Telephone No.: (714) 701-2290

Collective Bargaining Agreement(s): no

Estimated # of employees to be retrained or hired under this Agreement: 30

Total # of full-time company employees worldwide: 1,914